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COG OPERATING LLC MARCH 12, 2019

SOAH DOCKET NO. 473-19-1265 PUC DOCKET NO. 48785

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APPLICATION OF ONCOR	§	·
ELECTRIC DELIVERY CO, AEP	§	BEFORE THE
TEXAS INC. AND LCRA	§	
TRANSMISSION SERVICES	§	
CORPORATION TO AMEND	§	STATE OFFICE OF
THEIR CERTIFICATES OF	§	
CONVENIENCE AND	§	
NECESSITY FOR 345-KV	§	ADMINISTRATIVE
TRANSMISSION LINES IN	§	
PECOS, REEVES, AND WARD	§	
COUNTIES, TEXAS	§	HEARINGS

REPLY BRIEF OF INTERVENOR COG OPERATING LLC

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ATTORNEY FOR COG OPERATING LLC



QUESTIONS PRESENTED

- 1. Whether Route 325 Modified is the best alternative transmission line route, weighing the factors in Public Utility Regulatory Act (PURA) § 37.056(c) and 16 Tex. Admin. Code § 25.101 (b)(3)(B), because Route 325 Modified impacts less oil and gas development in the area, has one fewer habitable structure, greater than seven miles more paralleling of existing transmission lines, more length paralleling of existing rights-of-way, parallels less pipelines, has less length through commercial and industrial areas, and over four miles more length through rangeland pasture but costs more than Route 320 Modified?
- 2. Whether the Commission should approve Concho- and Oxyrequested modifications to minimize the effect of the project on existing and ongoing oil and gas development?
- 3. Whether the Commission also should approve post-approval flexibility language that allows Applicants to modify the approved route to the minimum extent necessary to avoid engineering constraints encountered during the design and construction of the project, limited to properties with (1) no habitable structures and (2) primarily used for mineral development?

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§	
§	BEFORE THE
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§	STATE OFFICE OF
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§	ADMINISTRATIVE
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§	HEARINGS
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## REPLY BRIEF OF INTERVENOR COG OPERATING LLC

TO THE HONORABLE ADMINISTRATIVE LAW JUDGES:

COG Operating LLC (Concho)¹ timely files this Reply Brief under SOAH Order No. 2.

#### **SUMMARY OF ARGUMENT**

After reviewing parties' initial briefs, Concho's position is the evidence supports three decisions: (1) Route 325 Modified best meets the routing criteria in PURA and the Commission's rules; (2) several links should be modified to avoid interference with existing and ongoing oil and gas development; and (3) the Commission should grant the Applicants post-approval flexibility to accommodate oil and gas development-related engineering constraints that may arise before construction of the project. This reply brief provides information about Concho's receipt of surface landowner consent forms submitted in a separate filing.

¹ Concho Ex. 1 at 3. "COG Operating LLC operates as a wholly-owned subsidiary of Concho Resources Inc."

#### **ARGUMENT**

#### I. Introduction

Several parties filed initial briefs. Support for modified routes Concho supports is contingent on Concho and Oxy filing forms from surface landowners consenting to Concho's and Oxy's proposed modifications.

In a separate filing, Concho is submitting its consent forms as Concho Exhibit 5. Concho will move to admit Concho Exhibit 5 and request the ALJs keep the record open until March 19, 2019, so additional consent forms can be admitted without having to reopen the record.

## II. Procedural history

Not addressed.

### III. Jurisdiction, notice, and deadline for decision

Not addressed.

## IV. Order of referral and preliminary order: Issues to be addressed

This reply brief only addresses Issue No. 5, alternative routes. As discussed in Concho's initial brief, alternative facilities configurations will have a less negative effect on Concho's and Oxy's oil and gas operations² and address Concho's safety concerns. Route 325 Modified best avoids the active oil and gas fields in the study area.

#### Landowner consents

Concho identified and contacted all surface owners affected by the F3, K11, and J7 modifications. Concho provided surface owners and their counsel consent forms. Concho has continued to make good progress and will continue to work to obtain landowner consents in a timely manner.

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² See Id. at 11-16 and Concho Ex. 2. See also Oxy Ex. 2 and Oxy Ex. 3.

#### Link F3

Concho identified three surface landowners affected by Link F3. Concho obtained signed consent forms from all three landowners and is submitting them as Concho Exhibit 5-F3-1. The Link F3 surface landowners are:

Collier, Ronald
Tollett, Cecilia
Wolf Bone Ranch Partners, LLC

### Link K11

Concho identified several landowners affected by Link K11. The proposed modification affects Section 28, which is owned by 22 persons or entities with undivided interests. Concho has obtained consent forms representing 92.1875% ownership interests of that section. The remaining 7.8125% interest is held by two individuals. One, Billy Joe Stephens, received, executed, and is returning the consent form. The second, Mack W. Dennard, Jr. received the consent form but has not returned it to Concho yet. All other affecteed Link K11 landowners executed consent forms. Concho is submitting the consent forms it received as Concho Exhibit 5-K11-1. When it files additional consent forms, it intends to submit them as Concho Exhibit 5-K11-2 and Concho Exhibit 5-K11-3 (if necessary). The Link K11 surface landowners are:

Adams, Myrtle May Cannon, Brenda & Ron Dennard, Ronald David Dennard, Mack Jr. Dickinson, Glynda V. Dyer, Larry Emerson, Jane Ind. & Co-Trustee of the Joy Hackleman Trust Hackleman, Billy Wade Hoefs Ranch, LP Holder, James & Deborah Kincer, Norma McCoy Remme Ranches Ltd Moran, Samuel B. Nelson, Joyce C. Riley, Charlene Scarbrough, Burrell Lee

Scarbrough, J.B.
Scarbrough, James Wendell
Stephens, Billy Joe
Stephens, Garry Lee
Stringfield, Russell Eugene
Wolfcamp Properties, LLC
Workman, Linda Fae
Young, Roberta Nell Copeland

#### Link J7

Concho identified six surface landowners affected by Link J7. Two of those landowners executed consent forms and returned them to Concho. One executed the form and is returning it to Concho. Concho is submitting the consent forms it received as Concho Exhibit 5-J7-1. When it files additional consent forms, it intends to submit them as Concho Exhibit 5-J7-2 and Concho Exhibit 5-J7-3 (if necessary). The Link J7 surface landowners are:

Collier Enterprises, Inc. Hoefs Ranch, LP Mackey, Anne S. Messick, Fred Shaw, Cynthia S. Slack, R. Clay II

#### CONCLUSION

The proposed transmission line project is needed. For the reasons discussed in Concho's initial brief, Route 325 Modified is the best alternative route. The Commission should approve Concho's requested modifications and give the Applicants post-approval flexibility to accommodate oil and gas-related engineering constraints on properties that have no habitable structures and are primarily used for mineral development.

#### **RELIEF SOUGHT**

Intervenor COG Operating LLC prays the administrative law judges recommend, and the Commission approve, Route 325 Modified, modifications Concho requests, and post-approval flexibility to allow the Applicants to accommodate oil and gas development engineering constraints.

### **CERTIFICATE OF SERVICE**

I certify, on this the 12th day of March, 2019, a copy of the foregoing document was filed electronically in the Commission's Interchange System. Notice of this filing will be sent by operation of the Commission's Interchange System and a copy sent electronically to all parties.

Bradford W. Bayliff